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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DAVID LEAPARD and IMF FINANCE SA on their own behalf and on behalf of all others similarly situated, Plaintiffs, v. ALLEN T.Y. CHAN, DAVID J. HORSLEY, KAI KIT POON, BANC OF AMERICA SECURITIES LLC, CREDIT SUISSE SECURITIES (USA) LLC, SINO-FOREST CORPORATION, ERNST & YOUNG GLOBAL LIMITED, and ERNST & YOUNG LLP, Defendants.	Case No. 1:12-cv-01726 (AT) **JOINT STIPULATION TO DISMISS E&Y WITH PREJUDICE**

Joint Stipulation to Dismiss E&Y with Prejudice

WHEREAS, counsel for Plaintiffs and counsel for Defendant Ernst & Young LLP (“E&Y”) jointly stipulated, pursuant to Fed. R. Civ. P. 41(a)(1)(A)(ii), to dismiss E&Y from this Action with prejudice based on the November 26, 2013 Order of the U.S. Bankruptcy Court for the Southern District of New York (“U.S. Bankruptcy Court”) granting recognition and enforcement (the “E&Y Settlement Recognition Order”) of the March 20, 2013 order of the Ontario Court (defined below) approving the E&Y Canada Settlement and the E&Y Release (as defined below);

WHEREAS Plaintiffs and E&Y have previously advised the court through status reports of related proceedings regarding the proposed settlement with E&Y as follows:

Proceedings in Canada Concerning the E&Y Canada Settlement

(a) By order dated March 20, 2013 ("E&Y Canada Settlement Order"), the Ontario Superior Court of Justice (the "Ontario Court"), having jurisdiction over both Sino-Forest Corporation's Insolvency Proceeding (the "Canadian Insolvency Proceeding") and the settlement of the Canadian class actions with Defendants Ernst & Young Global Limited and Ernst & Young LLP (collectively, "E&Y") approved a settlement and the release of the Defendants Ernst & Young Global Limited and Ernst & Young LLP (the "E&Y Canada Settlement") subject to, among other things, the terms and conditions set forth in Sino-Forest's Plan of Compromise and Reorganization;

(b) On June 26, 2013, the Court of Appeal for Ontario denied leave to appeal the E&Y Canada Settlement, and on June 28, 2013, granted a motion to quash an appeal of the E&Y Canada Settlement;

(c) On September 20, 2013, certain parties sought leave to appeal the June 26, 2013 Order of the Court of Appeal of Ontario to the Supreme Court of Canada. No stay has been sought or granted with respect to the E&Y Canada Settlement Order and the leave application remains pending;

(d) On October 23, 2013, the Ontario Court entered an order (the "Canadian Distribution Protocol Notice Order") approving the form of Notice and Short-Form Notice to U.S. and Canadian class members regarding a December 13, 2013 hearing before the Ontario Court on the Claims and Distribution Protocol and Class Counsel's Fee Request, further ordering that publication and mailing of such notice be completed by November 6, 2013, and setting a deadline of November 29, 2013 for objections to the Claims and Distribution Protocol or the Class Counsel Fee Request;

(e) On October 29, 2013, the court in the Quebec Class Action declared that on the Ernst & Young Settlement Date (being the date all conditions precedent are satisfied), the Quebec Proceedings shall be permanently stayed as against E&Y;

US Proceedings to Recognize and Enforce The E&Y Canada Settlement Order

(a) Pursuant to the terms of the E&Y Canada Settlement, on February 4, 2013, the Canadian monitor for Sino-Forest in the Canadian Insolvency Proceeding filed a petition in the U.S. Bankruptcy Court under Chapter 15 of the United States Bankruptcy Code (the "Chapter 15 Proceeding") seeking Recognition of Foreign Proceeding, Enforcement of Canadian Orders, and Related Relief, which was granted by the Hon. Martin Glenn on April 15, 2013;

(b) On September 23, 2013, E&Y filed a Motion to Recognize and Enforce Order of Ontario Court Approving Ernst & Young Settlement (the E&Y Recognition Motion") in the Chapter 15 Proceeding which was set for hearing on November 18, 2013;

(c) Notice of the November 18 hearing before the U.S. Bankruptcy Court on the E&Y Recognition Motion and the date for filing objections was mailed to over 8000 purported class members in the U.S., and other interested parties and was also broadly disseminated, by publication in *The Wall Street Journal* and by posting on U.S. Class Counsel's website;

(d) On November 18, 2013, a hearing occurred before the Honorable Martin Glenn, United States Bankruptcy Court with respect to the E&Y Recognition Motion. No objections were filed prior to or raised at the hearing;

(e) The Foreign Representative (FTI Consulting Canada Inc.") on behalf of Sino Forest appointed in the Chapter 15 Proceeding, the Plaintiffs herein and the Plaintiffs in the Ontario and Quebec Class Actions filed joinders in support of the E&Y Recognition Motion appeared at the November 18 hearing, and joined in the request for the entry of the E&Y Settlement Recognition Order;

(f) On November 26, 2013, the U.S. Bankruptcy Court issued a memorandum decision and entered the E&Y Settlement Recognition Order, a copy of which is attached as Exhibit A.

(g) The E&Y Settlement Recognition Order is now final and no longer subject to appeal.

BASED UPON THE FOREGOING, PLAINTIFFS AND DEFENDANT ERNST & YOUNG LLP HEREBY JOINTLY STIPULATE AS FOLLOWS:

1. This Action is dismissed with prejudice as to E&Y upon the satisfaction of all conditions to the E&Y Canada Settlement, including all provisions set forth in the E&Y Settlement Recognition Order;

2. Such dismissal of the claims against E&Y shall not take effect until the Ernst & Young Settlement Date occurs as set forth in the E&Y Settlement Recognition Order;

3. In the event the Ernst & Young Settlement Date does not occur, or the E&Y Canada Settlement does not become final, the parties shall be restored to their respective positions as they existed prior to the entry of the order of dismissal, and without prejudice in any way to the parties respective positions as they existed prior to the date of this Motion, and the Action shall be deemed to revert to its status as of the date and time immediately prior to the date of the E&Y Settlement; and

4. Plaintiffs and Defendant E&Y are to bear their respective costs in this proceeding.

Dated: December 17, 2013

Respectfully submitted,

COHEN MILSTEIN SELLERS & TOLL PLLC

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Attorneys for Defendant Ernst & Young Canada

IT IS SO ORDERED

DATED: This 17th day of December, 2013

ANALISA TORRES
United States District Judge